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Research News for the U.S. Travel Industry

TRAVEL PRINTOUT

US Travel Data Center

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Business Travel Climbs 50 Percent Since 1983

Business travel, one of the fastest growing segments in the industry, has jumped 50 percent over the past five years, according to the US Travel Data Center's most recent publication, the 1988 Survey of Business Travelers. Thirty-three million business travelers took 156 million business trips last year, accounting for 24 percent of all travel in the U.S.

The Survey of Business Travelers, sponsored by Reed International, is conducted in conjunction with the Data Center's National Travel Survey. The 1988 Survey of Business Travelers features data series covering business travel trends over the past three-to-five years, and provides expanded detail on several business traveler segments.

Although the actual number of business travelers decreased marginally, the frequency of business trips per traveler increased in 1988. Frequent business travelers (those who take 10 or more trips per year) represented 15 percent of all business travelers, yet logged more than half of all business trips taken in 1988.

The study also reports that:

- Women are taking more business trips and, in 1988, accounted for nearly 40 percent of all business travelers. Women business travelers and their share of the business travel market will continue to increase as they achieve positions that require more travel.
- Business travelers aged 35 - 44, employees of the service industries, and international business travelers are the fastest growing segments of the business travel market.
- The largest share of business travelers, 43 percent, traveled to attend meetings, conventions, or trade shows on their most recent trip in 1988.
- Seventy-three percent of business travelers stayed in hotels or motels on an average trip in 1988.
- Nearly one out of every four business travelers combined vacation travel on the average business trip in 1988. Forty-five percent of business travelers combined business and vacation on at least one business trip during 1988.

The 90-page report profiles business travelers according to demographic and trip characteristics, as well as their use of various travel services.

The 1988 Survey of Business Travelers, sent free to Data Center full members, is available to others for $85, prepaid, from the US Travel Data Center, Two Lafayette Centre, 1133 21st Street, NW, Washington, D.C., 20036. ##

Travel Outlook Forum Presents Consumers Propensity to Travel in 1990

Dr. George C. Eads, chief economist of the General Motors Corporation, will present an outlook for the 1990 economy and discuss how this will affect consumers' propensity to purchase travel in the coming year at the US Travel Data Center's 1990 Travel Outlook Forum, preceding the Travel Industry Association of America's National Conference, on October 3, in Hollywood, Florida at the Diplomat Resort & Country Club. This year's program, co-sponsored by the Travel and Tourism Research Association, will look ahead to the 1990s and examine how the industry can adjust to the forces that affect travel and tourism.

Dr. Eads was appointed General Motors' vice president and chief economist in 1986 following a distinguished career in academic and government circles, including his previous position as Dean of the School of Public Affairs at the University of Maryland.

Dr. Eads also served as a member of President Carter's Council of Economic Advisors (CEA) where he supervised the Council's participation in energy, agriculture, industry and international trade policies.

Registration fees for Data Center/TIA/TTRA members for the entire 3-day conference are $395, $425 for others. The forum alone is $195 for members, $220 for others.

For further information or to register for the conference and forum, contact the Data Center at Two Lafayette Centre, 1133 21st Street, NW, Washington, D.C., 20036. ##

Rising Motor Fuel Costs Lead April Travel Price Increase

Motor fuel prices soared 13 percent during April, while lodging prices fell for the first time in four months, according to the latest Travel Price Index (TPI) prepared by the US Travel Data Center.

The TPI, which measures seasonally unadjusted changes in the cost of travel in the U.S., rose 0.5 percent reaching 125.7 (1982 - 84 = 100) in April. For comparison, the overall cost of all goods and services purchased by Americans as measured by the Consumer Price Index (CPI), rose 0.7 percent to 123.1 during the same period.

The sizeable increase in motor fuel lead the 7.4 percent increase in transportation costs; however, the cost of lodging while out of town dropped more than 3 percent from the previous month. The cost of food and beverages purchased while traveling rose 0.4 percent; entertainment costs increased 0.6 percent, while airline fares climbed 0.2 percent for the month.

The April TPI edged 5.5 percent over the 12-month period; the CPI rose 5.1 percent. ##

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Travel Price Index and Components

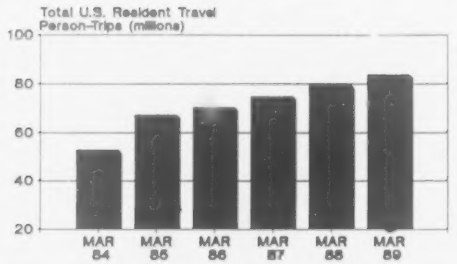
April 1989 TPI Component	Monthly % Change March to April 1989	Annual % Change April 1988 to April 1989
Transportation	7.4	11.4
Airline Fares	0.2	5.4
Other Intercity Trans	0.2	6.3
Intracity Public Trans	0.1	3.1
Motor Fuel	13.0	16.0
Lodging	-3.1	3.1
Food and Beverages Away From Home	0.4	4.6
Entertainment	0.6	6.5
TRAVEL PRICE INDEX	0.5	5.5
CONSUMER PRICE INDEX	0.7	5.1

Source: US Travel Data Center and the U.S. Bureau of Labor Statistics

March Travel Climbs 6 Percent

Travel during March rose nearly 6 percent over the previous year, led by sharp increases in both vacation and pleasure travel, according to the latest results of the Data Center's National Travel Survey.

The monthly telephone survey reported that Americans took almost 84 million person-trips



during March 1989. (A person-trip measures each person traveling 100 miles or more from home.)

The March survey also showed that:

- Weekend travel increased 6 percent, while travel for business declined;
- Travel by auto/truck/RV grew 7 percent, while air travel showed a notable decrease compared to the previous March;
- Average round-trip distance was 880 miles, down from 980 miles one year ago;
- The average duration of trips fell from 3.9 nights a year ago to 3.5 nights this March.

The National Travel Survey results for spring 1989 will be included in the Data Center's 1989 Spring Travel Executive Briefing and Market Close-Up, scheduled for release later this summer. Order ahead for your copies of all the National Travel Survey seasonal reports by writing to the Data Center Publication Department, 1133 21st Street, NW, Washington, D.C., 20036. ##

TEIM Update

The project team supervising the comprehensive revision and update to the Data Center's Travel Economic Impact Model (TEIM), an economic model that estimates the impact of travel on the nation's economy, is currently examining alternate methodologies for use in the TEIM.

Recommendations for alternative modeling techniques have been prepared for each of the travel-related business sectors' expenditures, including transportation, lodging, food, and entertainment, which are needed to produce TEIM estimates. The TEIM technical review committee, a panel of industry and research experts selected to provide guidance on modeling techniques, will study and comment on the suggested alternative methodologies. ##

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Discover America 2000: Travel Forecast for the Next Century

By Margaret Amein,
Survey Research Analyst, US Travel Data Center

Marketers from dozens of travel industry business are discovering the great variety of data on changing social, demographic and economic trends available in **Discover America 2000**, a report prepared by the US Travel Data Center for the Travel Industry Association's (TIA) Discover America program.

Written with the understanding that the travel industry is highly dependent on consumer mores and attitudes toward travel, the report is filled with facts on American consumer behavior and demographic make-up from the late 1980s through the year 2000. The following sections covering American family life and consumer behavior are examples of the type of information available in the report along with charts and graphs showing historical series of data.

AMERICAN FAMILY LIFE

- American family life appears to be making a comeback. Between 1986 and 1987, the number of family households grew faster than the number of non-family households, reversing a 20-year trend. Because of the aging of the Baby Boom and the AIDS scare, some observers expect this trend to continue despite projections by the Bureau of the Census to the contrary.

- The renewed interest in the family is apparently not a throwback to 1950s sex roles, but a blend of traditional values of home, family and work with a new emphasis on shared responsibilities.

- Eighty-nine percent of Americans agree that it is important for fathers to spend as much time with children as their mothers. This attitude has produced the new "renaissance father" whose first priority is raising children, or "parenting."

CONSUMER BEHAVIOR

- The 1980s has been labeled the "Spree Decade," referring to the prevalence of easy credit, pro-consumption tax policies, and the ethics of materialism. Since 1980, consumer purchases of products and services have increased 26 percent faster than the overall growth in the economy.

- Baby Boomers, now in their prime years of earning and spending, will energize the market for consumer durables and wield unprecedented economic power in the years ahead. By the year 2000, Baby Boomers will head 44 percent of all households and account for 56-58 percent of purchases of most consumer categories.

- Forty million households now own a VCR, compared to only five million five years ago; experts predict that 70 percent of all TV-owning households will have a VCR by 1992. As a result, videocassette-marketed products and services may become the "junk mail" of the 1990s.

Visitor Volume at National Parks

Region	MAR 1989 visits	% Change from MAR 1988*	Year to Date % Change 1988/89*
NEW ENGLAND	493,395	13.7	10.9%
MIDDLE ATLANTIC	1,626,333	5.8	3.6
SOUTH ATLANTIC	5,548,236	-5.2	-3.1
EAST SOUTH CENT.	1,610,053	1.8	4.1
EAST NORTH CENT.	243,240	3.7	-1.1
WEST NORTH CENT.	329,161	-22.3	-11.1
WEST SOUTH CENT.	816,378	4.5	6.9
MOUNTAIN	2,281,447	5.3	0.7
PACIFIC	3,205,306	-6.3	-4.0
TOTAL	16,153,549	-1.7	-0.8

* Percent change figures may not be consistent with those previously reported due to National Park Service revisions.

Discover America 2000 is available to members of the US Travel Data Center, TIA, and the Travel and Tourism Research Association for $50 ($75 for non-members), prepaid, from the Travel Industry Association of America, Marketing Department, Two Lafayette Centre, 1133 21st Street, NW, Washington, D.C., 20036; (202) 293-1433. Contact TIA regarding special discounts for educators, students, and bulk orders. ##

States comprising the Census regions:
New England: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont. **Middle Atlantic:** New Jersey, New York, Pennsylvania. **South Atlantic:** Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia. **East South Central:** Alabama, Kentucky, Mississippi, Tennessee. **East North Central:** Illinois, Indiana, Michigan, Ohio, Wisconsin. **West North Central:** Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota. **West South Central:** Arkansas, Louisiana, Oklahoma, Texas. **Mountain:** Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming. **Pacific:** Alaska, California, Hawaii, Oregon, Washington.

Current Travel Indicators

CURRENT TRAVEL INDICATORS...1989	Month	Value	Units	Percent Change Last Month	Year Ago	Year To Date
Establishment Receipts or Retail Sales						
Hotels, Motels, Other Lodging Places(1)	Feb	$ 4,888	million	15.0	8.8	9.1
	Mar	$ 5,520	million	7.4	8.7	9.0
Eating and Drinking Places(2)	Mar	$13,663	million	-0.1	7.6	8.6
Gasoline Service Stations(2)	Mar	$ 8,836	million	2.4	4.3	3.4
Commercial Lodging Demand						
Hotel/Motel Occupancy Rates(3)	Feb	61.7	percent	1.0	1.3	0.8
	Mar	63.8	percent	3.4	1.9	1.2
Real Demand for Commerical Lodging(4)	Feb	56.8	million	15.6	4.3	4.3
	Mar	63.3	million	11.5	4.9	4.5
Airline Passenger Traffic (5)						
Domestic Revenue Passenger Miles	Mar	27.4	billion	20.8	-4.6	-2.2
Int'l Revenue Passenger Miles	Mar	7.3	billion	25.5	10.8	12.1
Highway Traffic Volume (6)						
Rural Arterial Passenger Miles	Mar	42.1	billion	26.6	6.0	5.8
Rail Passenger Traffic (7)						
Amtrak Passenger Miles	Mar	524.3	million	27.6	15.5	10.7
Travel Price Index (1982 - 84 = 100) (8)	Mar	125.1		2.5	5.3	4.5
U.S. Resident Travel						
Total Person-trips(9)	Mar	83.7	million	32.2	5.7	6.0
Vacation Person-trips(9)	Mar	52.9	million	28.4	14.0	15.2
Total Person-nights(10)	Mar	293.8	million	37.9	-4.0	2.1
Vacation Person-nights(10)	Mar	221.1	million	48.2	0.5	15.3
Public Use of National Parks (11)						
Visits	Mar	16,153,549		64.5	-1.7	-0.8
Overnight Stays	Mar	465,021		12.7	3.2	-3.7
Foreign Arrivals to the U.S.						
From Overseas(12)	Feb	832,805		-5.4	9.9	11.3
From Canada(13)	Mar	1,397,926		69.9	25.8	18.4
From Mexics(12)	Feb	60,153		-25.7	13.6	35.8
U.S. Citizen Departures						
To Overseas(12)	Jan	1,005,900		-14.6	6.6	6.6
	Feb	900,700		-10.5	2.7	4.8
To Canada(13)	Mar	584,061		30.9	12.4	-1.1
Domestic Demand for Gasoline - Barrels/Day(14)	Mar	7,258	thousand	2.3	-0.1	0.7

(1) Source: Smith Travel Research, seasonally unadjusted. (2) Preliminary; revised monthly. Source: Bureau of the Census. (3) Source: Smith Travel Research, seasonally adjusted, 1986 and 1987 data have been revised. (4) Smith Travel Research, unadjusted room nights sold. (5) Preliminary; U.S. scheduled service air carriers. Source: Air Transport Association. (6) Preliminary; revised monthly. Source: Federal Highway Administration. (7) Source: National Railroad Passenger Corporation (Amtrak). (8) Source: US Travel Data Center and Bureau of Labor Statistics. (9) Source: US travel Data Center. (10) US Travel Data Center. Data is not comparable to earlier published numbers due to revised methodology. (11) Preliminary; unadjusted for differences in reporting units. Source: National Park Service. (12) Source: U.S. Travel and Tourism Administration. Mexican data reflect 19% arrivals only. (13) Statistics Canada (14) Preliminary; Source: U.S. Department of Energy.

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